



**HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.
(OTE)**

**INTERIM CONDENSED FINANCIAL STATEMENTS
(STAND-ALONE AND CONSOLIDATED)
AS OF 30 SEPTEMBER 2006
IN ACCORDANCE WITH
INTERNATIONAL FINANCIAL REPORTING STANDARDS**

(TRANSLATED FROM THE GREEK ORIGINAL)

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.
AP.M.A.E. 347/06/B/86/10
99 KIFFISIAS AVE-151 24 MAROUSSI ATHENS, GREECE

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HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (OTE)
INTERIM BALANCE SHEETS (STAND ALONE AND CONSOLIDATED)
AS OF 30 SEPTEMBER 2006

(Amounts in millions of Euro)

	Notes	30/9/2006		31/12/2005	
		COMPANY	GROUP	COMPANY	GROUP
ASSETS					
Non - current assets:					
Telecommunication property, plant and equipment		2,743.4	6,348.2	3,032.2	6,739.6
Goodwill		-	72.3	-	72.4
Telecommunication licenses		3.9	383.7	4.2	393.0
Investments	4	1,826.4	158.6	1,684.1	159.3
Financial assets	5	-	321.6	-	-
Advances to pension funds		154.2	154.2	180.7	180.7
Deferred taxes		202.6	233.5	222.2	257.7
Other non-current assets		74.9	124.9	63.2	126.6
Total non - current assets		5,005.4	7,797.0	5,186.6	7,929.3
Current assets:					
Materials and supplies		14.2	118.3	29.7	130.3
Accounts receivable		826.2	1,123.8	779.4	1,066.7
Non-current assets held for sale	6	49.0	297.8	-	-
Other current assets		265.4	416.4	321.1	411.1
Cash and cash equivalents		898.0	2,297.0	844.3	1,512.2
Total current assets		2,052.8	4,253.3	1,974.5	3,120.3
TOTAL ASSETS		7,058.2	12,050.3	7,161.1	11,049.6
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the parent:					
Share capital	7	1,171.5	1,171.5	1,172.5	1,172.5
Paid-in surplus		485.9	485.9	486.6	486.6
Treasury stock	7	-	-	(5.9)	(5.9)
Legal reserve		256.7	256.7	256.7	256.7
Retained earnings		1,139.1	1,724.8	798.0	1,401.6
		3,053.2	3,638.9	2,707.9	3,311.5
Minority interest		-	1,269.0	-	1,201.9
Total equity		3,053.2	4,907.9	2,707.9	4,513.4
Non – current liabilities:					
Long-term debt	8	1,781.3	2,547.8	1,951.9	3,104.3
Reserve for staff retirement indemnities		175.1	187.4	162.1	172.7
Reserve for voluntary retirement program		574.0	574.0	603.8	603.8
Reserve for Youth Account		280.9	280.9	284.0	284.0
Other non – current liabilities		44.3	129.3	43.6	139.9
Total non – current liabilities		2,855.6	3,719.4	3,045.4	4,304.7
Current liabilities:					
Accounts payable		432.2	699.7	558.8	720.6
Short-term borrowings	9	-	872.3	-	14.3
Current maturities of long-term debt		16.1	777.1	14.9	321.3
Income taxes payable		65.6	151.5	-	81.9
Deferred revenue		105.8	162.0	102.2	179.1
Reserve for voluntary retirement program		207.0	207.0	434.9	434.9
Dividends payable		3.8	3.8	5.3	5.2
Liabilities associated with non-current assets held for sale		-	61.6	-	-
Other current liabilities		318.9	488.0	291.7	474.2
Total current liabilities		1,149.4	3,423.0	1,407.8	2,231.5
TOTAL EQUITY AND LIABILITIES		7,058.2	12,050.3	7,161.1	11,049.6

The accompanying Notes on pages 9 – 25 form an integral part of these Interim Condensed Financial Statements.

The Interim Condensed Financial Statements presented on pages 3 - 25 were signed by :

Chairman
& Managing Director

Chief Financial Officer

Accounting Manager

Panagis Vourloumis

Jordanis Aivazis

Antonis Mavromaras

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (OTE)

INTERIM INCOME STATEMENTS (STAND-ALONE)
FOR THE THREE MONTH AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2006

	Notes	2006		2005	
		3 rd Quarter	Nine months	3 rd Quarter	Nine months
<i>(Amounts in millions of Euro, except share and per share data)</i>					
Revenues:					
Domestic telephony	11	388.8	1,198.8	398.6	1,204.9
International telephony	11	51.2	142.9	52.9	166.6
Other revenues	11	239.5	715.1	225.4	648.1
Total revenues		679.5	2,056.8	676.9	2,019.6
Operating expenses:					
Payroll and employee benefits		(163.5)	(587.8)	(204.9)	(644.1)
Charges for voluntary retirement program		49.8	49.8	(912.9)	(938.0)
Charges from international operators		(37.8)	(101.4)	(43.0)	(118.2)
Charges from domestic operators		(91.6)	(280.1)	(101.2)	(276.9)
Depreciation and amortization		(130.4)	(396.3)	(134.0)	(403.9)
Cost of telecommunications equipment		(29.1)	(108.1)	(29.6)	(78.1)
Other operating expenses	12	(119.1)	(357.5)	(129.6)	(393.9)
Total operating expenses		(521.7)	(1,781.4)	(1,555.2)	(2,853.1)
Operating income / (loss) before financial results		157.8	275.4	(878.3)	(833.5)
Financial income/ (expense):					
Interest expense		(29.9)	(91.0)	(42.8)	(102.8)
Interest income		12.3	34.4	7.8	27.9
Foreign exchange gains/ (losses), net		0.2	1.2	1.1	(2.6)
Dividends	4	-	196.3	5.1	335.3
Gains from investments		-	-	132.8	149.9
		(17.4)	140.9	104.0	407.7
Profit / (loss) before tax		140.4	416.3	(774.3)	(425.8)
Income taxes		(40.6)	(85.2)	218.4	192.0
Profit / (loss) for the period		99.8	331.1	(555.9)	(233.8)
Attributable to:					
Equity holders of the parent		99.8	331.1	(555.9)	(233.8)
Minority interest		-	-	-	-
		99.8	331.1	(555.9)	(233.8)
Basic earnings / (losses) per share	14	0.2036	0.6755	(1.1341)	(0.4770)
Weighted average number of shares outstanding		490,150,389	490,150,389	490,150,389	490,150,389

The accompanying Notes on pages 9 - 25 form an integral part of these Interim Condensed Financial Statements.

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (OTE)

INTERIM INCOME STATEMENTS (CONSOLIDATED)
FOR THE THREE MONTH AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2006

	Notes	2006		2005	
		3 rd Quarter	Nine months	3 rd Quarter	Nine months
<i>(Amounts in millions of Euro, except share and per share data)</i>					
Revenues:					
Domestic telephony	11	557.4	1,698.9	567.8	1,721.8
International telephony	11	92.6	268.5	97.2	297.0
Mobile telephony	11	548.4	1,490.9	482.5	1,307.2
Other revenues	11	285.5	844.2	257.7	749.9
Total revenues		1,483.9	4,302.5	1,405.2	4,075.9
Operating expenses:					
Payroll and employee benefits		(278.0)	(931.1)	(312.8)	(991.0)
Charges for voluntary retirement program		49.8	49.8	(912.9)	(938.0)
Charges from international operators		(54.4)	(152.2)	(60.7)	(171.0)
Charges from domestic operators		(183.3)	(546.0)	(174.0)	(486.7)
Depreciation and amortization		(274.6)	(838.9)	(278.0)	(840.2)
Reversal of fixed assets' impairment		-	-	75.7	75.7
Extinguishment of liabilities		-	-	23.8	23.8
Cost of telecommunications equipment		(48.7)	(158.5)	(43.6)	(125.4)
Other operating expenses	12	(291.2)	(856.3)	(269.5)	(783.1)
Total operating expenses		(1,080.4)	(3,433.2)	(1,952.0)	(4,235.9)
Operating income / (loss) before financial results		403.5	869.3	(546.8)	(160.0)
Financial income/ (expense):					
Interest expense		(48.8)	(137.9)	(37.5)	(117.5)
Interest income		20.1	48.8	9.8	38.5
Foreign exchange gains/ (losses), net		3.0	3.2	(2.2)	31.2
Dividends	4	-	22.5	0.6	20.3
Gains from investments		0.3	6.1	7.5	32.8
		(25.4)	(57.3)	(21.8)	5.3
Profit / (loss) before tax		378.1	812.0	(568.6)	(154.7)
Income taxes		(99.8)	(246.0)	162.4	32.6
Profit / (loss) for the period		278.3	566.0	(406.2)	(122.1)
Attributable to:					
Equity holders of the parent		223.6	445.5	(493.2)	(296.7)
Minority interest		54.7	120.5	87.0	174.6
		278.3	566.0	(406.2)	(122.1)
Basic earnings / (losses) per share	14	0.4562	0.9089	(1.0062)	(0.6053)
Weighted average number of shares outstanding		490,150,389	490,150,389	490,150,389	490,150,389

The accompanying Notes on pages 9 - 25 form an integral part of these Interim Condensed Financial Statements.

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (OTE)
INTERIM STATEMENTS OF CHANGES IN EQUITY (STAND-ALONE)
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2006

(Amounts in millions of Euro)

	<u>Share Capital</u>	<u>Paid-in Surplus</u>	<u>Treasury Stock</u>	<u>Legal Reserve</u>	<u>Retained Earnings</u>	<u>Total equity</u>
Balance at 31 December 2004	1,174.1	487.5	(15.1)	256.7	1,037.6	2,940.8
Unrealized gains on available-for-sale securities	-	-	-	-	(1.6)	(1.6)
Treasury stock cancelled	(1.6)	(0.9)	9.2	-	(6.7)	-
Net income recognized directly in Equity	(1.6)	(0.9)	9.2	-	(8.3)	(1.6)
Loss for the period	-	-	-	-	(233.8)	(233.8)
Balance at 30 September 2005	1,172.5	486.6	(5.9)	256.7	795.5	2,705.4
Balance at 31 December 2005	1,172.5	486.6	(5.9)	256.7	798.0	2,707.9
Unrealized gains on available-for-sale securities	-	-	-	-	14.2	14.2
Treasury stock cancelled	(1.0)	(0.7)	5.9	-	(4.2)	-
Net income recognized directly in Equity	(1.0)	(0.7)	5.9	-	10.0	14.2
Profit for the period	-	-	-	-	331.1	331.1
Balance at 30 September 2006	1,171.5	485.9	-	256.7	1,139.1	3,053.2

The accompanying Notes on pages 9 - 25 form an integral part of these Interim Condensed Financial Statements.

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (OTE)

INTERIM STATEMENTS OF CHANGES IN EQUITY (CONSOLIDATED)
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2006

(Amounts in millions of Euro)

Attributable to equity holders of the parent

	Share Capital	Paid-in Surplus	Treasury Stock	Legal Reserve	Retained Earnings	Total	Minority Interest	Total equity
Balance at 31 December 2004	1,174.1	487.5	(15.1)	256.7	1,685.0	3,588.2	1,243.2	4,831.4
Dividends declared	-	-	-	-	-	-	(191.6)	(191.6)
Unrealized gains on available-for-sale securities	-	-	-	-	(1.6)	(1.6)	-	(1.6)
Treasury stock cancelled	(1.6)	(0.9)	9.2	-	(6.7)	-	-	-
Foreign currency translation	-	-	-	-	156.1	156.1	95.0	251.1
Net change of investment in subsidiaries	-	-	-	-	64.7	64.7	(110.9)	(46.2)
Net income recognized directly in equity	(1.6)	(0.9)	9.2	-	212.5	219.2	(15.9)	203.3
Loss for the period	-	-	-	-	(296.7)	(296.7)	174.6	(122.1)
Balance at 30 September 2005	1,172.5	486.6	(5.9)	256.7	1,600.8	3,510.7	1,210.3	4,721.0
Balance at 31 December 2005	1,172.5	486.6	(5.9)	256.7	1,401.6	3,311.5	1,201.9	4,513.4
Dividends declared	-	-	-	-	-	-	(72.3)	(72.3)
Unrealized gains on available-for-sale securities	-	-	-	-	14.2	14.2	-	14.2
Treasury stock cancelled	(1.0)	(0.7)	5.9	-	(4.2)	-	-	-
Foreign currency translation	-	-	-	-	37.5	37.5	34.1	71.6
Net change of investment in subsidiaries	-	-	-	-	(169.8)	(169.8)	(15.2)	(185.0)
Net income recognized directly in equity	(1.0)	(0.7)	5.9	-	(122.3)	(118.1)	18.9	(99.2)
Profit for the period	-	-	-	-	445.5	445.5	120.5	566.0
Balance at 30 September 2006	1,171.5	485.9	-	256.7	1,724.8	3,638.9	1,269.0	4,907.9

The accompanying Notes on pages 9 - 25 form an integral part of these Interim Condensed Financial Statements.

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (OTE)

**INTERIM STATEMENTS OF CASH FLOWS (STAND-ALONE AND CONSOLIDATED)
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2006**

	<u>1/1/2006 - 30/9/2006</u>		<u>1/1/2005 - 30/9/2005</u>	
	<u>COMPANY</u>	<u>GROUP</u>	<u>COMPANY</u>	<u>GROUP</u>
<i>(Amounts in millions of Euro)</i>				
Cash flows from operating activities				
Profit / (loss) before taxes	416.3	812.0	(425.8)	(154.7)
Adjustments for:				
Depreciation and amortization	396.3	838.9	403.9	840.2
Provision for voluntary retirement program's cost	(49.8)	(49.8)	912.9	912.9
Provisions	131.8	154.8	170.3	175.4
Reversal of fixed assets' impairment	-	-	-	(75.7)
Extinguishment of liabilities	-	-	-	(23.8)
Investment and financial income	(231.9)	(80.6)	(510.5)	(118.6)
Amortization of advances to pension funds	26.4	26.4	26.4	26.4
Interest expense	91.0	137.9	102.8	117.5
Adjustments for working capital movements related to operating activities:				
Decrease / (increase) in materials and supplies	15.5	6.0	10.0	13.9
Decrease / (increase) in accounts receivable	31.1	(55.8)	3.3	(111.3)
Decrease in liabilities	(386.5)	(306.8)	(155.4)	(227.5)
Minus:				
Interest paid	(74.9)	(122.1)	(149.0)	(153.0)
Income taxes paid	-	(148.6)	-	(176.1)
Net cash provided by operating activities	365.3	1,212.3	388.9	1,045.6
Cash flows from investing activities				
Acquisition of subsidiary or associate, net of cash acquired	(192.3)	(191.1)	(292.5)	(287.5)
Acquisition of financial assets	-	(370.7)	-	-
Loans granted	(11.2)	-	(8.2)	7.8
Proceeds from loans	5.9	-	-	-
Purchase of property, plant and equipment or intangible assets	(133.1)	(585.3)	(148.7)	(405.1)
Proceeds from sale of investment	-	-	524.8	34.8
Interest received	19.7	26.4	7.7	17.2
Dividends received	173.7	6.8	333.0	21.7
Net cash provided by / (used in) investing activities	(137.3)	(1,113.9)	416.1	(611.1)
Cash flows from financing activities				
Proceeds from minority shareholders for issuance of subsidiary's share capital	-	12.0	-	12.8
Proceeds from long-term debt and short-term borrowings	-	870.9	-	557.2
Repayment of long-term debt and short-term borrowings	(172.8)	(86.4)	(504.0)	(415.8)
Dividends paid	(1.5)	(73.3)	(1.7)	(191.8)
Net cash provided by / (used in) financing activities	(174.3)	723.2	(505.7)	(37.6)
Net increase in cash and cash equivalents	53.7	821.6	299.3	396.9
Cash and cash equivalents at beginning of period	844.3	1,512.2	370.0	870.3
Cash and cash equivalents at end of period (in total)	898.0	2,333.8	669.3	1,267.2
Cash and cash equivalents included in non-current assets held for sale	-	(36.8)	-	-
Cash and cash equivalents at end of period	898.0	2,297.0	669.3	1,267.2

The accompanying Notes on pages 9 - 25 form an integral part of these Interim Condensed Financial Statements.

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (OTE)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
(STAND-ALONE AND CONSOLIDATED) AS OF 30 SEPTEMBER 2006
(Amounts in millions of Euro, unless otherwise stated)

1. COMPANY'S FORMATION AND OPERATIONS

The Hellenic Telecommunications Organization S.A. (hereinafter referred to as the "Company" or "OTE"), was founded in 1949 in accordance with Law 1049/49, as a state-owned Société Anonyme and operates pursuant to Law 2246/94 (as amended), Law 2257/94 (OTE's Charter) and Presidential Decree 437/95, in order to provide telecommunications and other related services.

The address of its registered office is: 99 Kifissias Avenue – 151 24 Maroussi Athens, Greece, while its website is www.ote.gr.

OTE Group (hereinafter referred to as the "Group") include the accounts of OTE and the following subsidiaries where OTE has control:

<u>Company Name</u>	<u>Line of Business</u>	<u>Ownership interest</u>	
		<u>30/9/2006</u>	<u>31/12/2005</u>
<i>Direct ownership</i>			
• COSMOTE MOBILE TELECOMMUNICATIONS S.A. ("Cosmote")	Mobile telecommunications services	67.00%	64.37%
• OTE INTERNATIONAL INVESTMENTS LTD	Investment holding company	100.00%	100.00%
• ARMENIA TELEPHONE COMPANY CJSC ("Armetel")	Fixed line and mobile telephony services	90.00%	90.00%
• OTE AUSTRIA HOLDING GMBH	Investment holding company	100.00%	100.00%
• HELLAS SAT CONSORTIUM LIMITED ("HellasSat")	Satellite communications	99.05%	95.69%
• COSMO-ONE HELLAS MARKET SITE S.A. ("Cosmo One")	E-commerce services	51.55%	50.74%
• OTENET S.A. ("OTEnet")	Internet services	94.59%	94.59%
• HELLASCOM INTERNATIONAL S.A. ("Hellascom")	Telecommunication projects	100.00%	100.00%
• OTE PLC	Financing services	100.00%	100.00%
• OTE SAT-MARITEL S.A. ("OTE Sat – Maritel")	Satellite telecommunications services	94.08%	93.99%
• OTE PLUS S.A. ("OTE Plus")	Consulting services	99.00%	99.00%
• OTE ESTATE S.A. ("OTE Estate")	Real estate	100.00%	100.00%
• INFOTE S.A. ("InfOTE")	Directory and information services	100.00%	100.00%
• OTE INTERNATIONAL SOLUTIONS S.A. ("OTEGlobe")	Wholesale telephony services	100.00%	100.00%
• HATWAVE HELLENIC-AMERICAN TELECOMMUNICATIONS WAVE LTD. ("Hatwave")	Holding company	52.67%	52.67%
• OTE INSURANCE AGENCY S.A. ("OTE Insurance")	Insurance brokerage services	100.00%	100.00%
• OTE ACADEMY S.A. ("OTE Academy")	Training services	100.00%	100.00%
<i>Indirect ownership</i>			
• ROMTELECOM S.A. ("Romtelecom")	Fixed line telephony services	54.01%	54.01%
• COSMOTE ROMANIA S.A. (previously named COSMOROM)	Mobile telecommunications services	63.10%	61.26%
• OTE MTS Holding B.V.	Investment holding company	67.00%	64.37%
• COSMOFON MOBILE TELECOMMUNICATIONS SERVICES A.D. – SKOPJE ("Cosmofon")	Mobile telecommunications services	67.00%	64.37%
• COSMO BULGARIA MOBILE EAD ("Globul")	Mobile telecommunications services	67.00%	64.37%
• COSMO-HOLDING ALBANIA S.A. ("CHA")	Investment holding company	64.99%	62.44%
• ALBANIAN MOBILE COMMUNICATIONS Sh.a ("AMC")	Mobile telecommunications services	55.24%	53.07%
• VOICENET S.A. ("Voicenet")	Telecommunication services	79.52%	79.52%
• OTENET CYPRUS S.A.	Investment holding company	56.75%	56.75%
• OTENET TELECOMMUNICATIONS L.T.D.	Telecommunication services	58.51%	58.51%
• HELLAS SAT S.A.	Satellite telecommunications services	99.05%	95.69%
• OTE INVESTMENTS SERVICES S.A.	Investment holding company	100.00%	100.00%
• OTE PLUS BULGARIA	Consulting services	99.00%	99.00%
• OTE PLUS ROMANIA	Consulting services	99.00%	99.00%
• COSMOHOLDING CYPRUS LTD ("COSMOHOLDING CYPRUS")	Holding company	67.00%	-

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (OTE)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
(STAND-ALONE AND CONSOLIDATED) AS OF 30 SEPTEMBER 2006
(Amounts in millions of Euro, unless otherwise stated)

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The accompanying Interim Condensed Stand-Alone and Consolidated Financial Statements (hereinafter «Financial Statements») have been prepared in accordance with IAS 34 “Interim Financial Reporting”.

These Financial Statements do not include all the information required for the preparation of a complete set of annual financial statements and therefore they should be examined in conjunction with the published most recent annual financial statements as of 31 December 2005, which are available on the Company’s website (www.ote.gr).

During the preparation of the annual consolidated financial statements as of 31 December 2005, it was noted that certain changes should be made in the amounts included in the interim consolidated financial statements, as compared to the way they were disclosed at their initial publication. The detailed presentation and explanation of all the above changes and their effect on the financial statements are available on the Company’s website www.ote.gr. Hence, in the accompanying Financial Statements, certain comparative figures of the interim period ended 30 June 2005, have been restated in relation to their initial publication, based on the changes described above.

The above Financial Statements have been prepared on a historical cost basis, except for the available for sale securities, which are at fair value with the changes recognized directly in equity.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and accounting estimates adopted by OTE for the preparation of these Financial Statements are the same with those referred to, in the notes to the financial statements as of 31 December 2005.

The adoption by the European Union, up to 31 December 2006 of new standards, interpretations or modifications, that might be issued by the International Accounting Standards Board (IASB) within this year and their adoption will cover periods beginning after 1 January 2006, might have a retrospective effect on the periods covered by these Financial Statements.

4. INVESTMENTS

Investments are analyzed as follows:

	30/9/2006		31/12/2005	
	COMPANY	GROUP	COMPANY	GROUP
(a) Investments in subsidiaries	1,668.7	-	1,526.3	-
(b) Other investments	157.7	158.6	157.8	159.3
	1,826.4	158.6	1,684.1	159.3

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4. INVESTMENTS (continued)

(a) Investments in subsidiaries are analyzed as follows:

	<u>Country</u>	<u>30/9/2006</u>	<u>31/12/2005</u>
• Cosmote	Greece	556.7	365.6
• OTE International Investments Ltd	Cyprus	497.9	497.9
• ArmenTel	Armenia	-	55.0
• OTE Austria Holding GMBH	Austria	0.1	0.1
• HellasSat	Cyprus	194.6	189.5
• Cosmo One	Greece	3.2	3.2
• OTEnet	Greece	24.7	24.7
• Hellascom	Greece	20.4	20.4
• OTE Sat – Maritel	Greece	11.2	11.2
• OTE Plus	Greece	3.8	2.6
• OTE Estate	Greece	336.3	336.3
• InfOTE	Greece	12.4	12.4
• OTEGlobe	Greece	0.9	0.9
• OTE Insurance	Greece	0.6	0.6
• OTE Academy	Greece	5.9	5.9
		<u>1,668.7</u>	<u>1,526.3</u>

Included in investments in subsidiaries are the amounts of loans granted by OTE to its subsidiaries and are outstanding at the balance sheet date.

Within April 2006, OTE acquired 9,547,579 shares of COSMOTE for a total consideration of Euro 191.1, increasing its participating interest in COSMOTE's share capital from 64.14% to 67.00% and obtaining the statutory majority of the subsidiary.

The difference between the consideration given to acquire the additional share of the subsidiary' share capital and the minority interest's share at the date of acquisition, has been accounted for as equity transaction and has been recognized directly in equity in the consolidated Financial Statements.

During the third quarter of 2006 OTE participated in the increase of the share capital of its 99% owned subsidiary OTE Plus. As a result , its total interest in the subsidiary increased by Euro 1.2.

In accordance with its BoD approval, on 30 September 2006 OTE participated in the share capital increase of its subsidiary HellasSat, through the capitalisation of debt of Euro 149.1 granted by OTE on 21.6.2005, plus the accrued interest until 30.9.2006, increasing its participating interest in the company's share capital to 99.05%.

OTE's investment in Armentel was classified as non-current asset held for sale and the amount of Euro 49.0 was transferred in the respective line in the balance sheet. For further details see Note 6 below. The outstanding balance of the loan granted to that company of Euro 6.0, was repaid during the first half of 2006.

On 29 August 2006, Cosmote founded in Cyprus a 100%-owned subsidiary, a holding company named COSMOHOLDING CYPRUS with the purpose to acquire a stake of 42% of GERMANOS S.A. and to submit a public tender offer for the acquisition of the 100% of the latter. For subsequent developments after 30 September 2006 see Note 17 below.

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4. INVESTMENTS (continued)

(b) Other investments

OTE's other investments are analyzed as follows:

	30/9/2006	31/12/2005
Telekom Srbija	155.1	155.1
Other	2.6	2.7
	157.7	157.8

Dividends from investments are analyzed as follows:

COMPANY

	2006		2005	
	3rd Quarter	Nine months	3rd Quarter	Nine months
Cosmote	-	145.3	-	297.6
OTE Estate	-	15.0	-	1.1
InfOTE	-	3.5	-	9.3
OTEGlobe	-	2.5	-	2.5
OTESat – Maritel	-	0.7	-	-
Armentel	-	6.8	5.1	5.1
Telekom Srbija	-	21.6	-	14.5
Eutelsat	-	-	-	4.9
Other	-	0.9	-	0.3
	-	196.3	5.1	335.3

GROUP

	2006		2005	
	3rd Quarter	Nine months	3rd Quarter	Nine months
Telekom Srbija	-	21.6	-	14.5
Eutelsat	-	-	-	4.9
Other	-	0.9	0.6	0.9
	-	22.5	0.6	20.3

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5. FINANCIAL ASSETS

On 9 May 2006, Cosmote announced that it has reached an agreement with and Mr. P. Germanos, major shareholder and founder of the listed company GERMANOS S.A. for the acquisition of a 42% interest in the above company, for a consideration of 19 Euro per share, subject to the receipt of all necessary approvals from the proper authorities. Cosmote plans to effectuate the acquisition through a Special Purpose Vehicle (SPV), which following such acquisition, shall launch a public tender offer for the remaining shares of GERMANOS S.A. According to the agreement, following the completion of the acquisition of the 42%, certain activities of GERMANOS S.A. that are not considered to be core to Cosmote's operations will be repurchased by Mr. P. Germanos or a company controlled by him. The transfer of these activities to Mr. P. Germanos or to a company controlled by him, is expected to take place following completion of the 42% stake acquisition.

Following the public tender offer, Mr. P. Germanos or a company controlled by him will reinvest in GERMANOS S.A. for a period of 3 to 5 years through the SPV.

The aggregate gross consideration for the acquisition of 100% of GERMANOS S.A. share capital may be up to Euro 1.58 billion (absolute figure), while the net cost of the transaction to Cosmote, following the disposals to, and the reinvestment of Mr P. Germanos, will be approximately Euro 1.3 billion (absolute figure), without taking into consideration the cash and cash equivalents of GERMANOS S.A.. Cosmote shall finance this acquisition as well as the public tender offer for the acquisition of outstanding percentage of this company to 100% through borrowing.

During the second quarter of 2006, Cosmote acquired 11,729,103 shares of GERMANOS S.A., for a total consideration of Euro 222.8, through the Athens Stock Exchange, with an average acquisition cost Euro 18.99 per share. These shares represent a 14.37% interest of GERMANOS S.A.'s, share capital.

On 4 August 2006, Cosmote acquired through the Stock Exchange another 5,200,000 shares of GERMANOS S.A., for a consideration of Euro 98.8 which represent an additional participating interest of 6.38% in the share capital of that company, increasing its participation in GERMANOS S.A.'s share capital to 20.75%. The aggregate amount of these acquisitions of Euro 321.6 is included in Financial Assets under Non-Current Assets in the 30 September 2006 consolidated balance sheet.

Cosmote shall transfer these shares for a price of Euro 19 (absolute figure) per share to its subsidiary, COSMOHOLDING CYPRUS Ltd, through the Public Tender Offer described above. For subsequent developments after 30 September 2006, see Note 17 below.

The competition authorities of Romania, Bulgaria, FYROM and Ukraine have unconditionally approved the acquisition of GERMANOS S.A., while on 16 August 2006, the National Telecommunications and Post Commission (NTPC) also approved the acquisition, subject to specific conditions.

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6. NON-CURRENT ASSETS HELD FOR SALE

In April 2006, OTE announced that after consultation with the Government of Armenia, it has initiated the process of examining options for the disposal of its 90% participating interest in Armentel, through an auction process. HSBC Bank PLC was appointed as financial consultant in this process. At the initial phase of the process OTE received ten non-binding offers. In the second phase of the process, after reviewing the ten offers, four bidders were invited to participate in the final negotiations which began on September 2006. The four qualifying bidders are: AO Vimpelcom, Mobile Telesystems (MTS) OJCS, Emirates Telecommunications Corporation (ETISALAT) / Istithmar PJSC / Emergent Telecom Ventures (ETV) and VTEL Holdings / Knightbridge Associates. For subsequent developments after 30 September 2006, see Note 17 below.

Based on the above, Armentel meets the criteria set out in I.F.R.S. 5 for its classification as held for sale and therefore in the 30 June 2006 balance sheets, it was presented as follows:

In the stand-alone balance sheet, OTE's investment in Armentel was classified as non-current asset held for sale and the amount of Euro 49.0 was transferred from "Investments" to "Non-current assets held for sale", representing the lower of its carrying amount and fair value, in accordance with the measurement requirements of I.F.R.S. 5. (See Note 4).

In the consolidated balance sheet, Armentel's assets and liabilities were presented separately from other assets and liabilities of the Group in "Non-current assets held for sale" and in "Liabilities associated with non-current assets held for sale", respectively.

The assets and liabilities of Armentel (after the elimination of inter company transactions) as of 30 September 2006 are as follows:

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6. NON-CURRENT ASSETS HELD FOR SALE (continued)

ASSETS	30/9/2006
Non-current assets:	
Telecommunication property, plant and equipment	208.3
Other non-current assets	18.2
Total non-current assets	226.5
Current assets	
Materials and supplies	6.0
Accounts receivable	22.4
Other current assets	6.1
Cash and cash equivalents	36.8
Total current assets	71.3
NON-CURRENT ASSETS HELD FOR SALE	297.8
LIABILITIES	
Non-current liabilities	
Long-term debt (Note 8)	20.2
Other non-current liabilities	0.2
Total non-current liabilities	20.4
Current liabilities	
Suppliers	17.4
Current maturities of long-term debt (Note 8)	12.8
Income taxes payable	3.6
Deferred revenue	2.3
Other current liabilities	5.1
Total current liabilities	41.2
LIABILITIES ASSOCIATED WITH NON-CURRENT ASSETS HELD FOR SALE	61.6

Condensed income statements of Armentel for the periods presented are included in the table below (before any elimination entry for inter company transactions) for information purposes:

	3rd Quarter 2006	Nine months 2006	3rd Quarter 2005	Nine months 2005
Revenues	44.5	112.9	30.1	81.7
Operating expenses	(28.1)	(74.7)	(16.7)	(51.9)
Operating income	16.4	38.2	13.4	29.8
Other income / (expense)	0.5	(0.4)	(0.7)	0.5
Profit before tax	16.9	37.8	12.7	30.3
Income taxes	(0.5)	(6.5)	(1.6)	(4.6)
Profit for the period	16.4	31.3	11.1	25.7

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7. SHARE CAPITAL

The repeating General Assembly of 31 July 2006, resolved to cancel 432,490 own shares, as the period that these shares could be held by OTE had expired. Following such resolution, OTE has no own shares and its Share Capital amounts to Euro 1,171.5, divided into 490,150,389 registered shares with a nominal value Euro 2.39 (two point thirty nine Euro) each.

8. LONG -TERM DEBT

Long-term debt is analyzed as follows:

<u>COMPANY</u>	<u>30/9/2006</u>	<u>31/12/2005</u>
(a) Loan from European Investment Bank	52.5	67.4
(b) Inter-company loans from OTE PLC	1,744.9	1,899.4
<i>Total long-term debt</i>	1,797.4	1,966.8
<i>Current maturities</i>	(16.1)	(14.9)
<i>Long-term portion</i>	1,781.3	1,951.9
<u>GROUP</u>		
(a) Loan from European Investment Bank	52.5	67.4
(b) Loans from suppliers	-	33.5
(c) Consortium loans	500.0	500.0
(d) Eurobond	1,113.9	1,108.9
(e) Global Medium Term Note Program	1,490.2	1,489.1
(f) Other bank loans	168.3	226.7
<i>Total long-term debt</i>	3,324.9	3,425.6
<i>Current maturities</i>	(777.1)	(321.3)
<i>Long-term portion</i>	2,547.8	3,104.3

Within June 2006, OTE repaid an intercompany loan of Euro 157.9 to its subsidiary OTE PLC. In August 2006 OTE paid a Euro 14.9 installment against the loan that was granted by the European Investment Bank.

The outstanding balance of Euro 490.4 of OTE Plc's bond, with maturity date 7 February 2007, has been transferred to the Current maturities of Long-term debt.

On 18 May 2006, OTE's Board of Directors approved to raise the aggregate principal amount of notes under the Global Medium Term Note Program from 3,500 tot Euro 5,000, with effect from August 2006, when the required approvals were granted.

On 24 May 2006, OTE's Board of Directors approved OTE to be the guarantor against the banks, for an amount of up to Euro 1.6 billion bond that will be issued by Cosmote, for the acquisition of GERMANOS S.A.

After the classification of Armentel as non-current asset held for sale, in the consolidated balance sheet as of 30 September, Armentel's long-term debt of Euro 33.0 (including Euro 12.8 short-term portion), were transferred in "Liabilities associated with non-current assets held for sale". For further details see Note 6 above.

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9. SHORT-TERM BORROWINGS

On 3 August 2006, an agreement between Cosmote and the banks JP MORGAN and CITIGROUP (as arrangers), was signed in London, for the issuance of a bond for an amount of up to Euro 1.5 billion for the bridge financing of the acquisition of GERMANOS S.A. The bond has a maximum duration of 12 months with possibility of prepayment from Cosmote. Under the above agreement, until 30 September 2006 Cosmote has withdrawn an amount of Euro 870.9.

10. INCOME TAXES

In accordance with Law 3296/2004, the income tax rate in Greece was reduced from 32% in 2005, to 29% in 2006 and 25% in 2007 and onwards.

Up to 30 September 2006 there are no significant developments relating to the unaudited tax years of the Group as compared to 31 December 2005 disclosures, except of the following:

- In May 2006, the tax authorities commenced the tax audit of OTE's books for the fiscal years 2002 - 2005, which is expected to be completed within 2006.
- In Romtelecom, the tax authorities have commenced the tax audit of the company's books for the fiscal years 2001 - 2005, which is expected to be completed within 2006.
- In OTE Estate, the tax authorities have commenced the tax audit of the company's books for the fiscal years 2001 – 2002, which is expected to be completed within 2006.
- In InfOTE, the tax authorities have commenced the tax audit of the company's books for the fiscal years 2001 – 2005, which is expected to be completed within 2006.
- In OTESat - Maritel, the tax authorities have commenced the tax audit of the company's books for the fiscal years 2000 – 2003, which is expected to be completed within 2006.
- In Hellascom, the tax authorities have commenced the tax audit of the company's books for the fiscal years 2003 – 2005, which is expected to be completed within 2006.
- In AMC, the tax authorities have commenced the tax audit of the company's books for the fiscal years 2002 - 2005, which is expected to be completed in within 2006.

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11. REVENUES

Revenues in the accompanying income statements consist of income from:

COMPANY

	2006		2005	
	3rd Quarter	Nine months	3rd Quarter	Nine months
(i) Domestic Telephony				
• Monthly network service fees	174.3	518.6	170.5	503.2
• Local and long-distance calls				
- Fixed to fixed	118.7	386.7	122.9	399.8
- Fixed to mobile	77.7	239.7	88.0	251.8
	196.4	626.4	210.9	651.6
• Other	18.1	53.8	17.2	50.1
	388.8	1,198.8	398.6	1,204.9
(ii) International Telephony				
• International traffic	18.4	58.4	22.3	71.3
• Payments from international operators	21.9	58.0	21.0	68.8
• Payments from mobile operators	10.9	26.5	9.6	26.5
	51.2	142.9	52.9	166.6
(iii) Other revenues				
• Prepaid cards	21.7	55.7	25.4	70.0
• Leased lines and Data communications	58.1	155.2	49.5	150.4
• VoIP through MSP	11.7	32.9	8.8	18.3
• ISDN	36.1	106.8	33.4	97.8
• Sales of telecommunication equipment	15.3	74.6	16.3	42.1
• Internet / ADSL	18.2	44.4	7.9	18.7
• ATM	7.8	24.7	7.6	22.1
• Services rendered	37.8	118.4	48.6	127.4
• Interconnection charges	26.5	82.5	24.5	75.7
• Miscellaneous	6.3	19.9	3.4	25.6
Total other revenues	239.5	715.1	225.4	648.1
Total revenues	679.5	2,056.8	676.9	2,019.6

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11. REVENUES (continued)

GROUP

	2006		2005	
	3rd Quarter	Nine months	3rd Quarter	Nine months
(i) Domestic Telephony				
• Monthly network service fees	253.0	738.3	243.3	717.1
• Local and long-distance calls				
- Fixed to fixed	161.8	532.2	170.2	567.9
- Fixed to mobile	119.3	360.6	132.9	376.9
	281.1	892.8	303.1	944.8
• Other	23.3	67.8	21.4	59.9
	557.4	1,698.9	567.8	1,721.8
(ii) International Telephony				
• International traffic	32.8	102.1	36.8	113.4
• Payments from international operators				
	47.5	135.5	49.1	153.7
• Payments from mobile operators	12.3	30.9	11.3	29.9
	92.6	268.5	97.2	297.0
(iii) Mobile Telephony	548.4	1,490.9	482.5	1,307.2
(iv) Other revenues				
• Prepaid cards	28.4	75.7	34.2	97.1
• Directories	13.6	42.2	14.2	41.9
• Leased lines and Data communications	54.6	148.2	58.0	158.2
• VoIP through MSP	9.4	25.8	2.5	8.8
• ISDN	40.5	119.9	35.3	103.6
• Sales of telecommunication equipment	35.0	120.3	21.3	71.0
• Internet / ADSL	34.4	91.4	24.1	61.8
• ATM	7.8	24.7	4.6	17.2
• Services rendered	15.3	46.8	21.9	49.7
• Interconnection charges	24.1	85.1	24.3	73.8
• Miscellaneous	22.4	64.1	17.3	66.8
• Total other revenues	285.5	844.2	257.7	749.9
Total revenues	1,438.9	4,302.5	1,405.2	4,075.9

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12. OTHER OPERATING EXPENSES

Other operating expenses are analyzed as follows:

<u>COMPANY</u>	2006		2005	
	3rd Quarter	Nine months	3rd Quarter	Nine months
Services and fees	32.7	95.3	29.3	92.0
Cost of telecommunication material, repairs and maintenance	12.9	46.9	20.9	74.9
Advertising costs	11.9	26.4	11.7	28.5
Utilities	14.9	40.3	11.5	34.3
Provision for doubtful accounts	13.4	47.4	24.0	64.0
Other provisions	7.5	22.5	5.0	15.0
Travel costs	1.7	4.8	1.9	5.2
Payments to audiotex providers	1.8	6.6	3.2	12.3
Rent	15.4	47.3	14.7	43.7
Taxes, other than income taxes	3.6	6.3	2.4	7.8
Transportation	1.6	3.9	1.3	3.5
Other	1.7	9.8	3.7	12.7
	119.1	357.5	129.6	393.9

<u>GROUP</u>	2006		2005	
	3rd Quarter	Nine months	3rd Quarter	Nine months
Services and fees	43.0	122.7	32.9	108.4
Cost of telecommunication material, repairs and maintenance	43.1	136.9	42.4	145.8
Advertising costs	45.0	121.6	28.3	85.0
Utilities	22.5	70.8	28.8	78.3
Provision for doubtful accounts	21.9	71.0	27.9	79.6
Other provisions	8.0	21.9	(0.3)	4.8
Travel costs	4.1	12.1	3.0	10.0
Commissions to independent distributors	57.3	154.6	44.1	119.0
Payments to audiotex providers	2.8	10.9	3.0	17.3
Rent	20.3	62.8	21.3	53.6
Taxes, other than income taxes	13.1	34.5	8.9	25.7
Transportation	2.4	6.0	2.0	5.1
Other	7.7	30.5	27.2	50.5
	291.2	856.3	269.5	783.1

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13. SEGMENT REPORTING

The following information is provided for the reportable segments, which are separately disclosed in the financial statements and is regularly reviewed by the Group's chief operating decision makers.

Segments were determined based on the Group's legal structure, as the Group's chief operating decision makers review financial information separately reported by the parent company (OTE) and each of the Group's consolidated subsidiaries.

Using the quantitative thresholds OTE, Cosmote and, Romtelecom, have been determined as reportable segments. Information about operating segments that do not constitute reportable segments have been combined and disclosed in an "All Other" category.

Accounting policies of the segments are the same as those followed for the preparation of the financial statements. The Group evaluates segment performance based on operating income before depreciation and amortization, operating income and profit for the period.

Segment information and reconciliation to the Group's consolidated figures are as follows:

<u>Nine months period ended</u> <u>30/9/2006</u>	<u>OTE</u>	<u>COSMOTE</u>	<u>ROMTELECOM</u>	<u>ALL</u> <u>OTHER</u>	<u>TOTALS</u>	<u>ADJUSTMENTS-</u> <u>ELIMINATIONS</u>	<u>GROUP</u>
Revenues from external customers	1,900.6	1,501.8	651.5	248.6	4,302.5	-	4,302.5
Intersegment Revenues	156.2	128.8	13.5	130.7	429.2	(429.2)	-
Total Operating Revenues	2,056.8	1,630.6	665.0	379.3	4,731.7	(429.2)	4,302.5
Operating Expenses	(1,781.4)	(1,213.0)	(571.1)	(297.5)	(3,863.0)	429.8	(3,433.2)
Operating income	275.4	417.6	93.9	81.8	868.7	0.6	869.3
Operating income before depreciation and amortization	671.7	643.1	259.8	135.5	1,710.1	(1.9)	1,708.2
Profit for the period	331.1	273.9	68.9	58.5	732.4	(286.9)	445.5

<u>Nine months period ended</u> <u>30/9/2005</u>	<u>OTE</u>	<u>COSMOTE</u>	<u>ROMTELECOM</u>	<u>ALL</u> <u>OTHER</u>	<u>TOTALS</u>	<u>ADJUSTMENTS-</u> <u>ELIMINATIONS</u>	<u>GROUP</u>
Revenues from external customers	1,863.6	1,157.4	688.2	366.7	4,075.9	-	4,075.9
Intersegment Revenues	156.0	134.9	5.7	102.5	399.1	(399.1)	-
Total Operating Revenues	2,019.6	1,292.3	693.9	469.2	4,475.0	(399.1)	4,075.9
Operating Expenses	(2,853.1)	(893.8)	(509.0)	(379.0)	(4,634.9)	399.0	(4,235.9)
Operating income	(833.5)	398.5	184.9	90.2	(159.9)	(0.1)	(160.0)
Operating income before depreciation and amortization	(429.6)	569.9	367.6	174.8	682.7	(2.5)	680.2
Profit for the period	(233.8)	255.3	216.2	70.5	308.2	(604.9)	(296.7)

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14. EARNINGS PER SHARE

Earnings per share (after income taxes,) are calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of shares outstanding during the period, excluding the average number of own shares that the Company possessed during the period.

Earnings per share (after income taxes) are analyzed as follows:

COMPANY

	2006		2005	
	3rd Quarter	Nine months	3rd Quarter	Nine months
Earnings / (Losses) attributable to the shareholders of the parent	99.8	331.1	(555.9)	(233.8)
Weighted average number of shares outstanding	490,150,389	490,150,389	490,150,389	490,150,389
Basic earnings / (Losses) per share	0.2036	0.6755	(1.1341)	(0.4770)
Diluted earnings / (Losses) per share	0.2036	0.6755	(1.1341)	(0.4770)

Earnings / (Losses) per share are in absolute figures.

GROUP

	2006		2005	
	3rd Quarter	Nine months	3rd Quarter	Nine months
Earnings / (Losses) attributable to the shareholders of the parent	223.6	445.5	(493.2)	(296.7)
Weighted average number of shares outstanding	490,150,389	490,150,389	490,150,389	490,150,389
Basic earnings / (Losses) per share	0.4562	0.9089	(1.0062)	(0.6053)
Diluted earnings / (Losses) per share	0.4562	0.9089	(1.0062)	(0.6053)

Earnings / (Losses) per share are in absolute figures.

15. RELATED PARTY TRANSACTIONS

OTE's related parties are its subsidiaries, the members of the Board of Directors and the key management personnel of the Company.

The Company purchases goods and services from the related entities, provides goods and services to them, grants and obtains loans and finally receives dividends.

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15. RELATED PARTY TRANSACTIONS (continued)

OTE's purchases and sales transactions with its related parties are analyzed as follows:

	Nine months 2006		Nine months 2005	
	OTE's sales	OTE's purchases	OTE's sales	OTE's purchases
COSMOTE	112.5	107.5	109.7	134.4
OTE INTERNATIONAL				
INVESTMENTS LTD	1.3	6.8	1.8	6.1
ROMTELECOM	1.7	0.3	2.0	1.5
ARMENTEL	1.1	0.4	0.3	0.2
COSMOBULGARIA	-	-	2.4	-
HELLAS-SAT	0.4	1.3	1.4	1.6
COSMO-ONE	-	0.6	-	1.0
OTENET	29.3	14.3	23.2	4.3
HELLASCOM	-	4.1	0.1	3.5
OTE SAT- MARITEL	0.9	1.7	0.9	1.8
OTE PLUS	0.3	17.5	0.2	8.1
OTE ESTATE	1.3	42.7	4.9	39.4
INFOTE	6.6	4.0	7.8	4.4
OTE GLOBE	0.7	28.3	1.3	23.8
OTE ACADEMY	0.1	2.1	-	-
	156.2	231.6	156.0	230.1

OTE's interest income and interest expense with its related parties, are analyzed as follows:

	Nine months 2006		Nine months 2005	
	OTE's interest income	OTE's interest expense	OTE's interest income	OTE's interest expense
ARMENTEL	0.1	-	0.2	-
COSMOFON	2.5	-	1.7	-
HELLAS-SAT	5.2	-	5.2	-
OTE PLC	-	70.3	-	110.7
	7.8	70.3	7.1	110.7

OTE's revenues from dividends from its related parties, are analyzed as follows :

	Nine months 2006	Nine months 2005
COSMOTE	145.3	297.6
INFOTE	3.5	9.3
OTE GLOBE	2.5	2.5
OTE ESTATE	15.0	1.1
OTE SAT- MARITEL	0.7	-
ARMENTEL	6.8	4.5
	173.8	315.0

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15. RELATED PARTY TRANSACTIONS (continued)

OTE 's receivables and payables with its related parties from their operating transactions and from loans granted and obtained, are analyzed as follows :

	30/9/2006		31/12/2005	
	OTE's receivables	OTE's payables	OTE's receivables	OTE's payables
COSMOTE	104.1	41.2	35.9	45.1
OTE INTERNATIONAL				
INVESTMENTS LTD	0.3	0.7	6.0	7.4
ROMTELECOM	-	-	0.3	1.4
ARMENTEL	0.7	0.4	6.0	-
HELLAS-SAT	3.8	0.3	147.2	0.4
COSMO-ONE	-	0.4	-	0.5
OTENET	11.4	9.4	7.2	7.3
HELLASCOM	1.4	1.0	1.3	1.4
OTE SAT- MARITEL	1.1	0.5	0.8	1.2
OTE PLUS	3.8	9.5	4.7	5.6
OTE ESTATE	1.2	13.9	8.7	104.1
INFOTE	2.3	28.2	5.4	24.4
OTE GLOBE	51.3	54.2	23.9	27.6
OTE ACADEMY	0.1	0.3	0.3	1.5
OTE PLC	-	1,768.0	-	1,962.8
	181.5	1,928.0	247.7	2,190.7

Fees paid to the members of the Board of Directors and key management personnel compensation charged in the Income Statements of the Nine months 2006 and 2005, amounted to Euro 2.8 and 2.1, respectively.

16. LITIGATION AND CLAIMS

There are no significant developments in the litigation and claims, as compared with the cases that have been disclosed in the notes to the 31 December 2005 financial statements. Appropriate provisions have been established in relation to litigation and claims, the outcome of which can be reasonably estimated and is expected to be unfavorable for the Company.

17. SUBSEQUENT EVENTS

The most significant events that have occurred after 30 September 2006 are the following :

1. Pursuant to article 64 of Law 3371/2005 and the respective ministerial decision, OTE will grant an interest-bearing loan to Auxiliary Pension Fund for the payments of the lump sum benefits to the employees who participated in the voluntary retirement program. On 23 October 2006 OTE signed the loan agreement with the Auxiliary Pension Fund, pursuant to which OTE grants a loan of up to Euro 180, maturity 21 years, including a two years grace period. The loan bears interest at 2.9% annually and is repayable in monthly installments. As the loan's interest is below the current market conditions, a provision of approximately Euro 63 will be recorded in forth quarter's income statement for future financial losses.

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17. SUBSEQUENT EVENTS (continued)

2. On 16 November OTE announced that it had completed the sale of the 90% stake in Armentel to Vimpel-Communications for a total consideration of Euro 341.9 approximately. As a result of the above transaction and given that the carrying value of this investment in OTE's books amounted to Euro 49.0, a pre-tax gain of Euro 292.9 will be recognized, in the fourth quarter's income statement.
3. On 1 November OTE partially repaid an amount of Euro 500.0 against the inter-company loan of Euro 650.0 from its subsidiary OTE Plc, maturity 2011, interest rate 3.80%.
4. On 13 November OTE Plc repaid on its maturity date the three-year bond of Euro 250.0, which was issued under the Global Medium Term Notes Program.
5. On 21 November, OTE announced that its 100% owned subsidiary OTE Plc completed the process of issuance of bonds in an aggregate amount of Euro 1.5 (absolute figure) under the Global Medium Term Notes Program, in order to refinance the bridge facility of Cosmote for the acquisition of GERMANOS S.A.. These bonds are guaranteed by OTE and traded in Luxembourg Stock Exchange. These two bonds consist of : a) Euro 900.0 fixed rate annual coupon 4.625%, maturity 2016 (9 and half years) and b) Euro 600.0 floating rate quarterly coupon based on Euribor plus a spread of 28 bps, maturity 2009.
6. On 2 October 2006 Cosmote acquired through COSMOHOLDING CYPRUS a stake of 42% in the share capital of GERMANOS S.A, owned by Mr. Panos Germanos and other shareholders at the price of Euro 19 (absolute figure) per share. After that transaction, Cosmote's direct and indirect shareholding in GERMANOS S.A. was 62.75%, as Cosmote had already acquired a 20.75% stake through the Stock Exchange.

On 20 October 2006 and following the acquisition of 42% of GERMANOS S.A., COSMOHOLDING CYPRUS announced the submission of a Public Tender Offer for the acquisition of all the remaining shares of GERMANOS S.A. (47,313,790 shares which included the 16,929,103 shares held directly by Cosmote, representing in total 58% of the share capital and voting rights of GERMANOS S.A.) for a price of Euro 19 (absolute figure) per share.

Following the submission of a Public Tender Offer and until November 27, 2006 Cosmote through COSMOHOLDING CYPRUS acquired in total 18,594,622 shares through Athens Stock Exchange, which represent 22.8% of the share capital in GERMANOS S.A. for a total consideration of Euro 353.3 (19 Euro per share). After the above acquisitions the direct and indirect (through COSMOHOLDING CYPRUS) Cosmote's participating interest in GERMANOS S.A. reached to 85.55%.